

AMENDED IN ASSEMBLY JULY 1, 2005

SENATE BILL

No. 733

Introduced by Senator Aanestad

February 22, 2005

An act to amend ~~Sections 20460.1 and~~ *Section* 20815 of the Government Code, relating to public employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

SB 733, as amended, Aanestad. Public employees' retirement: Butte County.

The Public Employees' Retirement Law provides that, after the implementation of the Trial Court Employment Protection and Governance Act, for counties contracting with the retirement board, a trial court and a county in which the trial court is located shall jointly participate in the Public Employees' Retirement System by joint contract. Existing law also requires the assets and liabilities of a county and a trial court jointly contracting with the board to be combined for purposes of setting the employer contribution rate for both the county and the trial court.

This bill would create an exception to that provision for Butte County *and Solano County*, to require the assets and liabilities of the trial court and ~~that each county to be kept in separate accounts within the retirement fund~~ *separated based on a computation as determined by the actuary retroactive to June 30, 2002*. The bill would also ~~require the computation for the separation of assets and liabilities to be calculated retroactively from June 30, 2002~~ *provide that following the separation of the assets and liabilities, those trial courts shall participate in a risk pool, as specified, regardless of the number of active members in a member classification.*

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 20460.1 of the Government Code is~~
2 ~~amended to read:~~

3 ~~20460.1. (a) For all counties that contract with the board for~~
4 ~~the provision of retirement benefits for their eligible employees~~
5 ~~as of the implementation date of the Trial Court Employment~~
6 ~~Protection and Governance Act (Chapter 7 (commencing with~~
7 ~~Section 71600) of Title 8), a trial court and a county in which the~~
8 ~~trial court is located shall jointly participate in this system by~~
9 ~~joint contract. All other counties and trial courts may elect such~~
10 ~~joint participation in accordance with the procedures set forth in~~
11 ~~this chapter. Except as provided in subdivision (b) and except as~~
12 ~~otherwise provided in this part, the trial court and the county~~
13 ~~jointly participating in this system shall each have all of the~~
14 ~~rights and all of the obligations of a contracting agency under the~~
15 ~~contract and under this part.~~

16 ~~(b) A county shall not be responsible for the employer or~~
17 ~~employee contributions required to be paid on behalf of trial~~
18 ~~court employees. A trial court shall not be responsible for the~~
19 ~~employer or employee contributions required to be paid on behalf~~
20 ~~of county employees.~~

21 ~~(c) As used in this chapter, "joint contract" means a contract~~
22 ~~with the board as set forth in subdivision (a).~~

23 ~~(d) Notwithstanding any other section, for Butte County, the~~
24 ~~assets and liabilities of the trial court and the county shall be kept~~
25 ~~in separate accounts within the retirement fund. The computation~~
26 ~~for the separation of assets and liabilities shall be calculated~~
27 ~~retroactively from June 30, 2002.~~

28 ~~SEC. 2.—~~

29 ~~SECTION 1. Section 20815 of the Government Code is~~
30 ~~amended to read:~~

31 ~~20815. (a) Notwithstanding any other provision of this part,~~
32 ~~including, but not limited to, Sections 20225 and 20790, the~~
33 ~~board shall not combine the assets and liabilities of public agency~~
34 ~~employers into a single account for the purpose of setting a~~
35 ~~uniform rate of employer contributions for all public agency~~

1 employers. The rate at which a public employer's contribution to
2 this system shall be fixed shall be based upon its own experience.
3 Provisions of law that provide authority for this system to
4 combine the assets and liabilities of public employers into a
5 single account for purposes of establishing a uniform rate are
6 superseded to the extent that they provide that authority. For
7 purposes of this section only, references to public employers
8 shall not be construed to include school employers.

9 (b) Notwithstanding subdivision (a), the assets and liabilities
10 of a county and a trial court jointly contracting with the board
11 under Section 20460.1 shall be combined for purposes of setting
12 the employer contribution rate for both the county and the trial
13 court. ~~This subdivision does not apply to Butte County.~~

14 (c) *Notwithstanding subdivision (b), the assets and liabilities*
15 *of the Butte County trial court and those of Butte County, and the*
16 *assets and liabilities of the Solano County trial court and those of*
17 *Solano County shall be separated based on a computation as*
18 *determined by the actuary retroactive to June 30, 2002.*
19 *Following the separation of the assets and liabilities, the Butte*
20 *County trial court and the Solano County trial court shall*
21 *participate in a risk pool created in accordance with Section*
22 *20840 regardless of the number of active members in a member*
23 *classification.*